Remarks

The Office Action mailed October 19, 2006 has been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Claims 1-37 and 39-47 are now pending in this application. Claims 1-57 stand rejected. Claims 38 and 48-57 have been canceled.

The rejection of Claim 3 under 35 U.S.C. § 112, second paragraph, as being indefinite is respectfully traversed. Applicants have amended Claim 3 to address the issue raised in the Office Action. For the reasons set forth above, Applicants respectfully request that the Section 112 rejection of Claim 3 be withdrawn.

The rejection of Claims 1, 2, 12-14, 18, 22-24, and 31-54 under 35 U.S.C. § 102(e) as being anticipated by Galperin et al. (U.S. Patent 6,185,543) (hereinafter referred to as "Galperin") is respectfully traversed.

Applicants respectfully submit that Galperin does not describe or suggest the claimed invention. As discussed below, Galperin does not describe or suggest a method for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer and the method includes the steps of storing customer data in a database including a payment history for each existing loan contract by the corresponding customer, using an early termination model to identify for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, providing a list of early termination customers identified by the lender to the dealer, wherein each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer, notifying the customers identified on the early termination list by the dealer of new products and new loan opportunities at competitive loan interest

rates, and cross selling the new loans to the customers identified in the early termination list before the identified customers terminate the existing loan contracts associated therewith.

Specifically, Galperin does not describe or teach a method including storing customer data including a payment history for existing loan contracts by a customer, identifying for a lender which customers will likely terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, and providing a list of early termination customers identified by the lender to a dealer, wherein each customer identified on the list of early termination customers is a customer that satisfies an early termination model and is a customer that the lender would like to retain as a customer. Rather, Galperin describes at Column 3, lines 10-27, a method including electronically capturing individual loan applications for review and analysis to score potential prepayment behavior of a candidate borrower. Specifically, as described at Column 3, lines 10-27, the lender uses the prepayment score to calculate appropriate mortgage prices including interest rates, fees, broker commissions, and potential consumer rewards. Accordingly, Galperin describes a method of determining a buyer's propensity for prepayment to determine mortgage rates at which the lender will still make a profit on the mortgage. Further, "[u]sing this consumer scoring technique, a lending institution can seek to contact or contract with those consumers who display a low propensity to prepay." (Column 3, lines 24-27) Therefore, Galperin does not describe or suggest a method of identifying, by a lender and based on a customer's payment history of an existing loan contract, *existing customers of the lender* who are likely to early terminate an *existing loan contract* to provide a list of existing customers of the lender that are likely to prepay their existing loan and that the lender would like to retain as a customer. Applicants submit that merely describing a method of determining whether *potential loan candidates* have a propensity to prepay a *potential loan* does not describe or suggest identifying, by a lender and based on a customer's payment history of an existing loan contract, *existing customers of the lender* who are likely to early terminate an *existing loan contract* to provide a list of existing customers of the lender that are likely to prepay their existing loan and that the lender would like to retain as a customer.

Further, Galperin does not describe or teach a method including notifying the customers identified on an early termination list by a dealer of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers identified in the early termination list before the identified customers terminate the existing loan contracts associated therewith. Rather, Galperin describes at Column 3, lines 10-27, a method including electronically capturing individual loan applications for review and analysis to score potential prepayment behavior of a candidate borrower. Specifically, as described at Column 3, lines 10-27, the lender uses the prepayment score to calculate appropriate mortgage prices including interest rates, fees, broker commissions, and potential consumer rewards. More specifically,

> a beneficial use of the invention [described in Galperin] would be managing the initial marketing effort itself. For example, only those customers who can be shown to score favorably for prepayment might receive a solicitation for a mortgage product A. Consumers who are revealed to represent a substantial prepayment risk may be offered a more suitable mortgage product B, reflecting the increased risk. In this way, enhanced customer segmentation and product design initiatives converge to benefit consumers and their sources of debt financing. (Column 2, lines 10-19)

Accordingly, Galperin describes a method of determining a buyer's propensity for prepayment to determine mortgage rates at which the lender will still make a profit on the mortgage. Further, "[u]sing this consumer scoring technique, a lending institution can seek to contact or contract with those consumers who display a low propensity to prepay." (Column 3, lines 24-27) Therefore, Galperin does not describe or suggest a method including notifying customers who are likely to prepay an existing loan contract of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers before the customers terminate the existing loan contract. Applicants submit that merely describing a method of determining whether *potential loan candidates* have a propensity to prepay a *potential loan* does not describe or suggest notifying customers who are likely to prepay an existing loan contract of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers before the customers terminate the existing loan contract.

Claim 1 recites a method for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the method comprises the steps of "storing customer data in a database including a payment history for each existing loan contract by the corresponding customer...using an early termination model to identify for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, the early termination model uses the customer data stored within the database...providing a list of early termination customers identified by the lender to the dealer, each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer...notifying the customers identified on the early termination list by the dealer of new products and new loan opportunities at competitive loan interest rates, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customers identified on the early termination list...cross selling the new loans to the customers identified in the early termination list before the identified customers terminate the existing loan contracts associated therewith."

Applicants respectfully submit that Galperin does not describe or teach a method including storing customer data including a payment history for existing loan contracts by a customer, identifying for a lender which customers will likely terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, and providing a list of early termination customers identified by the lender to a dealer, wherein each customer identified on the list of early termination customers is a customer that satisfies an early termination model and is a customer that the lender would like to retain as a customer. Rather, Galperin describes at Column 3, lines 10-27, a method including electronically capturing individual loan applications for review and analysis to score potential prepayment behavior of a candidate borrower. Specifically, as described at Column 3, lines 10-27, the lender uses the prepayment score to calculate appropriate mortgage prices including interest rates, fees, broker commissions, and potential consumer rewards.

Accordingly, Galperin describes a method of determining a buyer's propensity for prepayment to determine mortgage rates at which the lender will still make a profit on the mortgage. Further, "[u]sing this consumer scoring technique, a lending institution can seek to contact or contract with those consumers who display a low propensity to prepay." (Column 3, lines 24-27) Therefore, Galperin does not describe or suggest a method of identifying, by a lender and based on a customer's payment history of an existing loan contract, *existing customers of the lender* who are likely to early terminate an *existing loan contract* to provide a list of existing customers of the lender that are likely to prepay their existing loan and that the lender would like to retain as a customer. Applicants submit that merely describing a method of determining whether *potential loan candidates* have a propensity to prepay a *potential loan* does not describe or suggest identifying, by a lender and based on a customer's payment history of an existing loan contract, *existing customers of the lender* who are likely to early terminate an *existing loan contract* to provide a list of existing customers of the lender that are likely to prepay their existing loan and that the lender would like to retain as a customer.

Further, Galperin does not describe or teach a method including notifying the customers identified on an early termination list by a dealer of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers identified in the early termination list before the identified customers terminate the existing loan contracts associated therewith. Rather, Galperin describes at Column 3, lines 10-27, a method including electronically capturing individual loan applications for review and analysis to score potential prepayment behavior of a candidate borrower. Specifically, as described at Column 3, lines 10-27, the lender uses the prepayment score to calculate appropriate mortgage prices including interest rates, fees, broker commissions, and potential consumer rewards. More specifically,

> a beneficial use of the invention [described in Galperin] would be managing the initial marketing effort itself. For example, only those customers who can be shown to score favorably for prepayment might receive a solicitation for a mortgage product A. Consumers who are revealed to represent a substantial prepayment risk may be offered a more suitable mortgage product B, reflecting the increased risk. In this way, enhanced customer segmentation and product design initiatives converge

> to benefit consumers and their sources of debt financing.
> (Column 2, lines 10-19)

Accordingly, Galperin describes a method of determining a buyer's propensity for prepayment to determine mortgage rates at which the lender will still make a profit on the mortgage. Further, "[u]sing this consumer scoring technique, a lending institution can seek to contact or contract with those consumers who display a low propensity to prepay." (Column 3, lines 24-27) Therefore, Galperin does not describe or suggest a method including notifying customers who are likely to prepay an existing loan contract of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers before the customers terminate the existing loan contract. Applicants submit that merely describing a method of determining whether *potential loan candidates* have a propensity to prepay a *potential loan* does not describe or suggest notifying customers who are likely to prepay an existing loan contract of new products and new loan opportunities at competitive loan interest rates, and cross selling the new loans to the customers before the customers terminate the existing loan contract.

Accordingly, for at least the reasons set forth above, Claim 1 is submitted to be patentable over Galperin.

Claim 2 depends from independent Claim 1. When the recitations of Claim 2 are considered in combination with the recitations of Claim 1, Applicants submit that dependent Claim 2 likewise is patentable over Galperin.

Claim 12 recites a system configured for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the system comprises "a server...a network...at least one computer connected to said server via said network, said server configured to...store customer data in a database including a payment history for each existing loan contract by the corresponding customer...utilize an early termination model to identify for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, the

early termination model uses the customer data stored within the database...provide a list of early termination customers identified by the lender to the dealer, each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer...notify the customers identified on the early termination list by the dealer of new products and new loan opportunities at competitive loan interest rates, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customers identified on the early termination list...prompt the dealer to cross sell the new loans to the customers identified in the early termination list before the identified customers terminate the existing loan contracts associated therewith."

Claim 12, as herein amended, recites a system configured for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the system comprises a server configured to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 12 is patentable over Galperin for reasons that correspond to those given with respect to Claim 1.

Claims 13, 14, and 18 depend from independent Claim 12. When the recitations of Claims 13, 14, and 18 are considered in combination with the recitations of Claim 12, Applicants submit that dependent Claims 13, 14, and 18 likewise are patentable over Galperin.

Claim 22 recites a computer for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the computer is programmed to "store customer data in a database including a payment history for each existing loan contract by the corresponding customer...prompt the lender to start an analysis of the customer data stored in the database including accessing an early termination model to identify for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract...provide a list of early

termination customers identified by the lender to the dealer, each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer...prompt the dealer to notify the customers identified on the early termination list of new products and new loan opportunities, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customer identified on the early termination list."

Claim 22, as herein amended, recites a computer programmed to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 22 is patentable over Galperin for reasons that correspond to those given with respect to Claim 1.

Claims 23 and 24 depend from independent Claim 22. When the recitations of Claims 23 and 24 are considered in combination with the recitations of Claim 22, Applicants submit that dependent Claims 23 and 24 likewise are patentable over Galperin.

Claim 31 recites a computer readable medium for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the computer readable medium comprises "a record of customer data including a payment history for each existing loan contract by the corresponding customer...a plurality of rules including an early termination model for identifying for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, the early termination model uses the record of customer data...a record of a list of early termination customers identified by the lender to the dealer, each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer...a record of customers notified by the dealer of new products and new loan opportunities, the customers notified including the customers on the early termination list, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customers identified on the early termination list."

Claim 31, as herein amended, recites a computer readable medium having a plurality of rules for performing steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 31 is patentable over Galperin for reasons that correspond to those given with respect to Claim 1.

Claims 32-36 depend from independent Claim 31. When the recitations of Claims 32-36 are considered in combination with the recitations of Claim 31, Applicants submit that dependent Claims 32-36 likewise are patentable over Galperin.

Claim 37 recites a method for identifying customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the method comprises the steps of "selecting, from an electronic interface, a record of customer information, wherein the customer information includes a payment history for each existing loan contract by the corresponding customer...selecting by the lender, from the electronic interface, an early termination model for an analysis of the selected customer information...requesting by the lender, from the electronic interface, a list of customers identified by the model as being likely to early terminate corresponding existing loan contracts, each customer identified by the lender on the list of early termination customers is a customer that satisfies the early termination model and is a customer the lender would like to retain as a customer...requesting by the dealer, from the electronic interface, a notification provided to the customers identified on the early termination list of new products and new loan opportunities, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customers identified on the early termination list."

Claim 37, as herein amended, recites a method for identifying customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the method includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 37 is patentable over Galperin for reasons that correspond to those given with respect to Claim 1.

Claim 38 has been canceled. Claims 39 and 40 depend from independent Claim 37. When the recitations of Claims 39 and 40 are considered in combination with the recitations of Claim 37, Applicants submit that dependent Claims 39 and 40 likewise are patentable over Galperin.

Claim 41 recites an apparatus for identifying and retaining customers who are likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract, wherein the existing loan contract is provided by a lender that provides financing for purchasing a product by a customer from a dealer, wherein the apparatus comprises means for storing customer information including a payment history for each existing loan contract by the corresponding customer...means for identifying for the lender customers likely to terminate an existing loan contract at a date earlier than the loan termination date identified in the loan contract...means for providing to the dealer a list of early termination customers identified by the lender...means for prompting the dealer to notify the customers identified on the early termination list of new products and new loan opportunities, wherein the new loan opportunities are provided by the lender to finance a future purchase of new products from the dealer by the customers identified on the early termination list."

Claim 41, as herein amended, recites an apparatus configured to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 41 is patentable over Galperin for reasons that correspond to those given with respect to Claim 1.

Claims 42-47 depend from independent Claim 41. When the recitations of Claims 42-47 are considered in combination with the recitations of Claim 41, Applicants submit that dependent Claims 42-47 likewise are patentable over Galperin.

Claims 48-54 have been canceled.

For the reasons set forth above, Applicants respectfully request that the Section 102 rejection of Claims 1, 2, 12-14, 18, 22-24, and 31-54 be withdrawn.

The rejection of Claims 3-11, 15-17, 19-21, 25-30, and 55-57 under 35 U.S.C. § 103(a) as being unpatentable over Galperin is respectfully traversed.

Applicants respectfully traverse the Official Notice. Official Notice may be used for "facts...capable of such instant and unquestionable demonstration as to defy dispute". (See In re Ahlert, 424 F.2d 1088, 165 USPQ 418, 420 (CCPA 1970). Applicants submit that the Official Notice provided in the Office Action does not include facts that are capable of instant and unquestionable demonstration as to defy dispute. More specifically, Applicants submit that the assertion that the claimed "equations would be an obvious alternative and/or extension to the models found and/or used in Galperin to predict prepay customers" is not a fact that is capable of instant and unquestionable demonstration as to defy dispute. Accordingly, Applicants submit that the Official Notice taken in the Office Action is improper.

Further, Applicants respectfully submit that the Section 103 rejection of Claims 3-11, 15-17, 19-21, 25-30, and 55-57 as being unpatentable over Galperin is not a proper rejection. As is well established, the mere assertion that it would have been obvious to one of ordinary skill in the art to have modified Galperin to obtain the claimed recitations of the present invention does not support a prima facie obvious rejection. Rather, each allegation of what would have been an obvious matter of design choice must always be supported by citation to some reference work recognized as standard in the pertinent art and the Applicant given the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference. Applicants have not been provided with the citation to any reference supporting the combination made in the rejection. The rejection, therefore, fails to provide the Applicants with a fair opportunity to respond to the rejection, and fails to provide the Applicants with the opportunity to challenge the correctness of the rejection. Of course, such combinations are impermissible, and for this reason, along with the reasons set forth above, Applicants request that the Section 103 rejection of Claims 3-11, 15-17, 19-21, 25-30, and 55-57 be withdrawn.

Claims 3-11 depend from independent Claim 1, which is recited above. As set forth above, Claim 1 is submitted to be patentable over Galperin. Applicants respectfully submit

that the Official Notice does not make up for the deficiencies of Galperin. Accordingly, Claim 1 is submitted to be patentable over Galperin in view of the Official Notice.

Claims 3-11 depend from independent Claim 1. When the recitations of Claims 3-11 are considered in combination with the recitations of Claim 1, Applicants submit that dependent Claims 3-11 likewise are patentable over Galperin in view of the Official Notice.

Claims 15-17 and 19-21 depend from independent Claim 12, which is recited above. As set forth above, Claim 12 is submitted to be patentable over Galperin. Applicants respectfully submit that the Official Notice does not make up for the deficiencies of Galperin. Accordingly, Claim 12 is submitted to be patentable over Galperin in view of the Official Notice.

Claims 15-17 and 19-21 depend from independent Claim 12. When the recitations of Claims 15-17 and 19-21 are considered in combination with the recitations of Claim 12, Applicants submit that dependent Claims 15-17 and 19-21 likewise are patentable over Galperin in view of the Official Notice.

Claims 25-30 depend from independent Claim 22, which is recited above. As set forth above, Claim 22 is submitted to be patentable over Galperin. Applicants respectfully submit that the Official Notice does not make up for the deficiencies of Galperin. Accordingly, Claim 22 is submitted to be patentable over Galperin in view of the Official Notice.

Claims 25-30 depend from independent Claim 22. When the recitations of Claims 25-30 are considered in combination with the recitations of Claim 22, Applicants submit that dependent Claims 25-30 likewise are patentable over Galperin in view of the Official Notice.

Claims 55-57 have been canceled.

For the reasons set forth above, Applicants respectfully request that the Section 102 rejection of Claims 3-11, 15-17, 19-21, 25-30, and 55-57 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,

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